

August 18, 2008

Ms. Marcine Goodloe, President
Montgomery County Volunteer Fire and Rescue Association
380 Hungerford Drive
Rockville, Maryland 20850

Dear Marcine

Enclosed please find a response to your request for information that I received on August 12, 2008.

(a) Each year's total taxes received from the collection of the Fire Tax

FY06: \$161,259,613
FY07: \$182,907,797
FY08: \$190,020,400 (estimate)

(b) Each year's breakdown of the distribution of those funds

The Fire tax revenues and the other revenues of the district (fees, fines, carryover of prior year fund balance) are combined and deposited into the Fire Tax Fund and are applied to Fire Tax District needs without a specific accounting of specific revenues sources related to precise uses. However, the chart below provides an estimate of the proportionate use of the Fire Tax for funding the various needs of the MCFRS. In FY06 the Fire Tax provided funding for 94.1% of the MCFRS needs; 94.8% in FY07, and an estimated 92.9% in FY08. The latter figure is estimated because the financial statements for FY08 are not completed.

		FY06	FY07	FY08
1				
2	Beginning reserves	\$ 4,024,557	\$ 992,777	\$ 5,649,440
3	Fire Tax	\$ 161,259,613	\$ 182,907,797	\$ 190,020,400
4	Fees, Fines, Other	\$ 6,027,890	\$ 9,076,411	\$ 8,778,640
5	Total Resources	\$ 171,312,060	\$ 192,976,985	\$ 204,448,480
6				
7	Approved Uses			
8	Operating Budget	167,440,493	\$ 183,691,816	\$ 191,980,540
9	Debt Service	2,758,040	\$ 3,514,976	\$ 4,217,060
10	Desktop Computer Modernization (DCM)*	\$ 120,750	\$ 120,750	\$ 120,750
11	Capital Improvement Program (CIP) Current Revenue	\$ -	\$ -	\$ 706,000
12	Set Aside for ePCR			
13		\$ 170,319,283	\$ 187,327,542	\$ 197,024,350
14				
15	Ending Reserves	\$ 992,777	\$ 5,649,443	\$ 7,424,130
16	% Funded by Fire Tax	94.1%	94.8%	92.9%
17	Amount of Reserve funded by the fire tax	\$ 934,522	\$ 5,354,665	\$ 6,900,204
18	% of Fire Tax used for reserves	0.6%	2.9%	3.6%

* DCM is the scheduled replacement (every 4 years) of desktop computers in all County Government Departments.

(c) Each year's break down of the amount of funds that were placed into reserve

In the Chart provided in response to question (b) See Row 2 for the beginning reserve and row 15 for the ending reserve. The ending FY08 reserve shown above is the estimate made as of final Council approval of the FY09 operating budget on May 22, 2008.

(d) Each year's break down of the distribution of those reserve funds

As with the response to question (b), the reserve funds are combined with the other resources of the Fire Tax fund so it is not possible to provide a precise

accounting for the specific uses of the fund. However, row 18 in the chart above provides the proportionate share of the resources of the Fire Tax fund that the beginning reserves were for FY06-08.

(e) The total amount of reserve funds as of the above date.

As of August 12th, the preliminary FY08 ending (FY09 beginning) unreserved, undesignated Fund Balance for the Fire Tax Fund is \$9,998,995. As mentioned above, since the FY08 financial statements are not completed, this is a preliminary estimate and may not reflect all outstanding obligations or expenditures and revenues that may be accrued to FY08.

Sincerely,

Joseph F. Beach
Director,
Office of Management and Budget

JFB:kt

cc: Thomas Carr, Fire Chief
Kathleen Boucher, Assistant Chief Administrative Officer